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For Immediate Release

Contact: David Mace (802) 828-5229

Council Authorizes \$1.5 Million Of Incentives Under New Program

MONTPELIER, Vt. – The Vermont Economic Progress Council has approved more than \$1.5 million in job creation incentives under the state's new economic development program, including assistance to the new owners of Specialty Filaments.

At its meeting last week, the Council reviewed and authorized the first incentives under the new Vermont Employment Growth Incentive (VEGI) program, making three companies eligible to receive up to \$1,329,404 in job creation incentives and \$240,496 in property tax incentives.

"We are very pleased that one of our first authorizations under the new Vermont Employment Growth Incentive program was to assist the Monahan Company in preserving the jobs at the former Specialty Filaments facility," said Karen Marshall, Chair of the Vermont Economic Progress Council. "Vermont's economic incentive program is going *to* work to keep Vermonters *at* work in Middlebury."

Monahan SFI, LLC, a subsidiary of the Thomas Monahan Company of Arcola, Illinois was given preliminary authorization for \$758,806 in economic incentives to add new jobs and invest in new machinery and equipment at Specialty Filaments, which closed and laid off 175 employees earlier in the month.

The new subsidiary purchased the assets of Specialty Filaments, Inc. in a bankruptcy auction. Monahan SFI, LLC will re-open the plant and re-hire most of the employees laid off during the recent plant closing, and will submit a more detailed application for a full review at a later date.

Pad Print Machinery of Vermont, Inc. was authorized for \$331,399 in economic incentives to add new jobs and invest in a new facility and machinery and equipment. The East Dorset company plans to create a new subsidiary, Ink Jet Machinery of Vermont, to develop and manufacture digital inkjet print head engines.

"The company had been considering several options other than creating the new subsidiary, including outsourcing production to China or growing only a few jobs within Pad Print Machinery of Vermont," said Marshall.

Olympic Precision, Inc. was authorized for \$239,199 in economic incentives to create new jobs and invest in equipment by building the Center for Precision Manufacturing, a Department of Defense-funded research and development facility.

The company and the Town of Windsor were authorized for property tax stabilization with an estimated value of \$240,946, and will collaborate with the Windsor Improvement Corporation to redevelop a currently unusable lot and build a facility to house the Center, which will be operated by Olympic Precision, Inc.

Under reforms passed by the General Assembly and signed into law by Governor Jim Douglas last year, the economic incentives were authorized based on job creation and capital investments that must occur before the company receives payment.

The prior program had companies earning tax credits that were applied against future tax liability.

The Council approved the applications after reviewing nine guidelines and applying a rigorous cost-benefit analysis that showed that because of the economic activity that will be generated by these projects, even after payment of the incentives the State will realize a net increase in revenues of \$1,441,885.

The Council also determined that these projects would not occur or would occur in a significantly different and less desirable manner if not for the incentives being authorized.

The Vermont Economic Progress Council is an independent board consisting of nine Vermont citizens appointed by the governor that considers applications to the state's economic incentive programs.

The Council is attached to the Vermont Agency of Commerce and Community Development, whose mission is to help Vermonters improve their quality of life and build strong communities.

For more information, visit:

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